



AT&T Toll-Free Re-billing Relief Proposal

- AT&T to re-bill 55 Megacom Accounts.
- AT&T to re-bill Top 100(of 718) Readyline Accounts, which results in an instant savings to the State of approximately \$200K.
- AT&T will provide re-billing relief to the State in the amount of approximately \$600K or 40% of remaining balance owed.
- Total savings to the State is approximately \$800K.

For this relief, AT&T requires the State to make the following commitments:

1. Sign 2yr Toll-Free Contract extension.
2. Minimum revenue commitment equal to or greater than 80% of current billing.
3. Accept AT&T re-billing methodology/process.
4. B&O Tax to be passed onto the end users.
5. Administrative Fee and Report to be submitted on a quarterly basis.

This offer is valid until September 10, 2003.